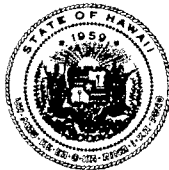


LINDA LINGLE
GOVERNOR



STATE OF HAWAII
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

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June 5, 2009

ADDENDUM 4
TO
REQUEST FOR PROPOSALS
NO. 09-001

TO FURNISH ELIGIBILITY AUDIT SERVICES

Scope of Work, II. Scope of Services is revised (in bold/underscored) as attached.

SCOPE OF WORK

I. Introduction

The purpose of the contract resulting from this RFP is to obtain an audit of all dependents of active employees and retirees enrolled in one or more EUTF benefit plans.

II. Scope of Services

A. Objective

- To provide dependent eligibility verification audit services for the EUTF in order to reduce the number of ineligible dependents currently covered under the health plans. This audit service will be conducted using forms of legal documents as proof of eligibility.
- Under both Active and Retiree health plans, dependents for this audit include:
 - Spouse
 - Child(ren) less than 19 years
 - Child(ren) 19 years and up to 23, who are full-time students
 - Legally Adopted Child(ren), step child(ren), foster child(ren)
 - Domestic Partners and their child(ren)

B. Specifications

- Assess and review the EUTF's existing eligibility processes and procedures. Review the EUTF's administrative rules and statutes.
- Develop strategy for approaching dependents in a way that will obtain prompt and full compliance with the audit; create a comprehensive communication program for the audit campaign and establish timeline and milestones.
- Design the audit communications package which will include:
 - Generate and manage communications and fulfillment activity
 - Provide sample letters of audit notification to employees and sample follow-up letters for use during the audit campaign. Describe the processes and procedures to be followed when there is no response from employees.
 - Collect and qualify all acceptable documents (i.e., proof) of all dependents which may include but not limited to:
 - Birth Certificate
 - Marriage Certificate
 - Student Enrollment Certification
 - Domestic Partnership certificate
 - Copy of court appointed guardianship
 - Adoption certificate
 - Copy of front page of recently filed federal tax return
 - **Collect dependent social security numbers and report them to the EUTF**
 - Provide audit status reports on a weekly basis

- Coordinate and review data importing and exporting from the EUTF.
 - Develop internal procedures and processes that will be approved and implemented by the EUTF prior to the audit..
- During the audit campaign, contractor will provide the following services and features for participants:
 - Toll free number for participants outside Oahu
 - Call Center with Oahu number
 - **Minimum call center hours shall be 8 a.m. – 5 p.m. (Hawaii Standard Time), Monday – Friday (except State of Hawaii holidays)**
 - Provide standards for service level of call activity (answering within 30 seconds, number of days for resolution on certain cases, % of first call resolution, abandonment rate, recording of all calls, tracking of reason for call, etc.)
 - Tracking of cases if not resolved with the first call. Provide research for cases until resolved.
 - Provide weekly activity status reports including # of respondents, # of letters generated during the period, # of calls to CSRs (Customer Service Representatives), # of self declared ineligible to date, etc.
 - **Administer a post audit appeals process for employee-beneficiaries whose dependents are denied eligibility to appeal in accord with EUTF administrative rules.**
- Upon completion of the audit campaign, contractor will provide the following services:
 - Collect all participant documents
 - Provide description of document imaging and retention for this audit service including duration of maintaining documents and availability of these documents upon EUTF's request.
 - Provide final activity status reports including # of respondents, # of letters generated during the period, # of calls to CSRs (Customer Service Representatives), # of self declared ineligible to date, etc.
- Contractor will provide a final executive summary of the audit results within 30 business days of the close of the audit which will include:
 - Recap of audit process logistics
 - Statistical finding/audit result
 - Financial savings and estimated ROI (Return On Investment)

III. Other Provisions

- Time limit for the duration of the audit is six (6) months
- Contractor will provide recommendations for amending plan definitions of dependent beneficiaries (i.e., eligible dependents), improving plan communications which will include training of EUTF staff as well as improving plan operations in order to avoid future enrollment of ineligible dependent

- **Key Personnel.** As part of its proposal, each offeror will identify a primary consultant ("Primary Consultant") and client servicing team. The primary consultant will be the primary contact between the EUTF and the contractor and will be responsible for contractor's performance of the contract. The contractor will not change the Primary Consultant or any member of the client servicing team identified in the contractor's proposal without at least thirty (30) days advance written notice to the EUTF. Substitute or additional personnel shall not be used until: (a) the EUTF is provided with a resume and any other information requested regarding the substitution or addition of personnel; (b) if the change is to the Primary Consultant, the EUTF is given an opportunity to interview the new proposed Primary Consultant; and (c) the EUTF approves the substitution or addition of personnel. Unless a substitution or change in personnel has been approved by the EUTF, the EUTF shall have the right to terminate the contract if the Primary Consultant or any of the client servicing team personnel assigned to this contract are reassigned, leave the contractor's employment, or otherwise become unable to perform the services required by the contract.